

Business Paperless Telefiling System

Instructions

New Jersey Cosmetic Medical Procedures Gross Receipts Tax

(Form CMPT-100 Quarterly Return)

Filing by Phone

Complete the CMPT-100 Worksheet, call the Business Paperless Telefiling System at 1-877-829-2866, and select "5" from the menu for the Cosmetic Medical Procedures Gross Receipts Tax Filing System. You will be prompted to enter the information from your worksheet on your Touch-tone telephone keypad. (NOTE: For best results, do not use a cordless or cellular phone or one with a keypad in the handset.) The system provides step-by-step instructions and repeats your entries to ensure accuracy. When your return is accepted, you will be given a 7-digit Confirmation Number as proof that your return was successfully filed. The telefiling system is available 24 hours a day, seven days a week.

Payments. The system automatically calculates the total amount due. You will have an opportunity to pay the amount due by electronic check (e-check) during your phone call. Enter your bank information on your worksheet if you want to pay by e-check. You can also pay your liability by credit card or electronic funds transfer (EFT). Payments must be made electronically using one of these methods. See "How to Pay," below.

Identification. You will be asked to enter your New Jersey Taxpayer Identification Number and either your 4-digit Personal Identification Number (PIN) or the first four characters of your registered taxpayer name to access the system.

Personal Identification Number (PIN). If you are registered to withhold New Jersey gross income tax from wages or other payments, your cosmetic medical procedures gross receipts tax PIN is the same PIN that you use to file quarterly employer withholding tax returns (Forms NJ-927/NJ-927-W) online. The employer PIN is printed in the upper right-hand corner of Form REG-C contained in your quarterly NJ-927 forms packet.

If your business does not file quarterly employer withholding tax returns, your cosmetic medical procedures gross receipts tax PIN is the same PIN you use to file quarterly or monthly sales and use tax returns (Forms ST-50/51) online or by phone.

You must update your registration information to report that you are required to collect the tax before you can use your assigned employer or sales tax PIN or the first four characters of your registered taxpayer name to file your cosmetic medical procedures gross receipts tax return. To update your registration record online go to www.state.nj.us/njbgs/services.html.

If you have registered to collect the cosmetic medical procedures gross receipts tax and you cannot access the Business Paperless Telefiling System using either your assigned PIN or the first four characters of your registered taxpayer name, call the Division of Taxation's Customer Service Center at 609-292-6400 during normal business hours for assistance.

Filing Online

You can also file Form CMPT-100 online at the Division of Taxation's Web site (www.state.nj.us/treasury/taxation/).

Choose "File Online" on the navigation bar, scroll down to "Cosmetic Medical Procedures Gross Receipts Tax," select "Form CMPT-100," and follow the filing instructions.

Who Must File

All providers of cosmetic medical procedures, tangible personal property, or occupancies that are subject to the cosmetic medical procedures gross receipts tax must register to collect the tax and must file a quarterly return (Form CMPT-100) on a regular basis. Each return must show total gross receipts for the entire three-month period covered by that quarterly return. All providers must file a return for each quarter even if no receipts for that particular quarter were subject to the tax. Returns must be filed either by phone or online. There are no paper returns.

This packet contains a CMPT-100 Worksheet for you to record your quarterly return information in preparation for filing by phone. The worksheet may be reproduced for future use. Copies are also available online or by phone. See "Where to Get Information" on page 4.

When to File

Taxpayers subject to the tax must file a quarterly Cosmetic Medical Procedures Gross Receipts Tax Return, Form CMPT-100, and remit any tax due, on or before the 20th day of month following the end of the calendar quarter.

Quarter	Ending	Due Date
Jan.-Feb.-Mar.	March 31	April 20
Apr.-May-June	June 30	July 20
July-Aug.-Sept.	September 30	October 20
Oct.-Nov.-Dec.	December 31	January 20

If a due date falls on a Saturday, Sunday, or legal holiday, the return is due the next business day. Returns transmitted by 11:59 p.m. on the due date will be deemed timely.

How to Pay

Payments made by e-check or credit card by 11:59 p.m. on the due date will be deemed timely even if the settlement date (date payment is debited from the account) is the next business day.

Electronic Check (e-check)

You will be given an opportunity during your telephone call to pay your tax liability by e-check. If you choose to pay by e-check, be sure to enter the 9-digit routing number and the account number (up to 17 characters – numbers only) in the Payment Information section of the worksheet **before** you make your call.

A sample e-check form with the following details: Payee: John Smith, Jane Smith, 123 Main Street, Trenton, NJ 08611. Amount: \$15,000.00. Pay to the order of: [blank]. For: Anyplace Bank, Trenton, NJ 08611. Routing number: 202020000. Account number: 1234. A large 'SAMPLE' watermark is diagonally across the form. A note says 'Do not include the check number'.

If you choose not to pay the tax due when you file your return, you can make an e-check payment by itself in a separate call later. However, your payment must be made by the due date to avoid penalty and interest charges.

Credit Card

To pay your tax liability by credit card, call 1-800-2PAYTAX, toll-free or go to www.officialpayments.com after you have completed your telephone filing and received a Confirmation Number. There is a convenience fee of 2.5% of your liability paid directly to Official Payments Corporation.

Electronic Funds Transfer (EFT)

Taxpayers with a prior year liability of \$10,000 or more in any tax are required to make their payments for all taxes by EFT. Other taxpayers may voluntarily submit payments by EFT with the approval of the Division of Revenue. EFT payments are separate transactions made outside the Business Paperless Tele-filing System. ACH Credit Option EFT payers use Tax Type Code "20080," Addendum A record format, when paying the cosmetic medical procedures gross receipts tax. For more information on the EFT Program, call 609-984-9830, write to New Jersey Division of Revenue, EFT Unit, PO Box 191, Trenton, NJ 08646-0191, or visit the Division of Revenue's Web site at www.state.nj.us/treasury/revenue/.

Penalties, Interest, and Fees

Failure to file a return by the due date and/or failure to remit any taxes due by the due date will result in penalty and interest charges. Anyone required to collect the cosmetic medical procedures gross receipts tax does so as a trustee on behalf of the State of New Jersey. Thus, business owners, partners, corporate officers, and some employees of such businesses may be held personally liable for failure to collect the tax when required or for failure to file returns and remit any taxes due on a timely basis.

Late Filing Penalties

5% per month (or fraction thereof) of the balance of tax liability due at original return due date not to exceed 25% of such tax liability. A penalty of \$100 per month (or fraction thereof) for each month the return is late will also be imposed.

Late Payment Penalty

5% of the balance of the taxes due and paid late.

Interest

The annual interest rate is 3% above the average predominant prime rate. Interest is imposed each month (or fraction thereof) on the unpaid balance of the tax from the original due date to the date of payment. At the end of each calendar year any tax, penalties, and interest remaining due will become part of the balance on which interest is charged.

NOTE: The average predominant prime rate is the rate as determined by the Board of Governors of the Federal Reserve System, quoted by commercial banks to large businesses on December 1st of the calendar year immediately preceding the calendar year in which the payment was due or as determined by the Director in accordance with N.J.S.A. 54:48-2.

Collection Fees

In addition to the above penalties and interest, if your tax bill is sent to a collection agency, a referral cost recovery fee of 10% of the tax due will be added to your liability. If a certifi-

cate of debt is issued for your outstanding liability, a fee for the cost of collection may also be imposed.

General Information

The Cosmetic Medical Procedures Gross Receipts Tax is imposed at the rate of 6% on the purchase of certain cosmetic medical procedures or goods or occupancies, such as hospital or clinic stays, required for or directly related to such procedures. Cosmetic medical procedures are medical procedures performed in order to improve a person's appearance without significantly serving to prevent or treat illness or disease or to promote proper functioning of the body. Examples include cosmetic surgery, hair transplants, cosmetic injections, cosmetic soft tissue fillers, dermabrasion and chemical peels, laser hair removal, laser skin resurfacing, laser treatment of leg veins, sclerotherapy, and cosmetic dentistry.

Cosmetic medical procedures do not include reconstructive surgery or dentistry to correct or minimize abnormal structures caused by congenital defects, developmental abnormalities, trauma, infection, tumor or disease, including procedures performed in order to improve function or provide a more normal appearance.

All providers of cosmetic medical procedures and related goods or occupancies are subject to the cosmetic medical procedures gross receipts tax. Providers may include, but are not limited to, surgeons, anesthesiologists, nurses, dermatologists, electrologists, hospitals, clinics, spas, hair replacement facilities, or sellers of medical supplies that may perform cosmetic medical procedures or provide medical facility occupancies or goods required or directly related to such procedures. If you do not provide services, products, or occupancies related to cosmetic medical procedures, you are not subject to the tax.

Gross Receipts

The cash method of accounting must be used when reporting gross receipts. Under this method, all receipts are reported in the period in which they were received.

You must report gross receipts, including partial payments and installment payments, received during the three-month reporting period covered by the return (Form CMPT-100) from all services, goods, or occupancies, *including exempt services, goods, or occupancies*, that were provided by your business or practice in New Jersey. (The tax is not reported and remitted until the taxable procedure, sale, or occupancy has taken place.) You may *not* deduct expenses from receipts; the *gross* receipts received must be reported.

Do not include in gross receipts the amount of cosmetic medical procedures gross receipts tax collected.

Exempt Receipts

You may deduct the amount of all transactions included in gross receipts which are not subject to the cosmetic medical procedures gross receipts tax. No deduction may be taken for any amount which was not included in gross receipts. Exempt receipts include, but are not limited to receipts for:

- Medical procedures, tangible personal property, or occupancies covered by medical insurance.
- Procedures, tangible personal property, or occupancies that are deductible as "medical expenses" for purposes of Federal income tax.

- Services that are only indirectly related to the cosmetic medical procedure (e.g., fees charged for evaluation and referral by a primary care physician, psychiatric consultation, aftercare by a home health aide).

Your records must adequately indicate which receipts are subject to the cosmetic medical procedures gross receipts tax and which receipts are exempt from the tax.

Instructions for Telefile Worksheet

Identification

New Jersey Taxpayer Identification Number. Enter your 12-digit New Jersey Taxpayer Identification Number. If your ID number begins with the letters "NJ," enter "6," "5," and the remaining 10 digits. (NOTE: If you do not enter your ID number correctly, you will not be able to file.)

PIN/Taxpayer Name. Enter your 4-digit PIN (Personal Identification Number) or the first four characters of your registered taxpayer name. If you are entering your taxpayer name, use only letters and numbers. Omit symbols and spaces. (NOTE: If you do not enter your PIN or the first four characters of your taxpayer name correctly, you will not be able to file.)

Contact Phone Number. Enter the area code and phone number of a contact person for the taxpayer.

Tax Preparer's Identification Number. If the return is being filed by a tax preparer, enter the preparer's 9-digit Federal identification number or social security number. This information will be requested during the signature portion of the phone call.

Return Period

Quarter: Enter the number that reflects the calendar quarter covered by the return:

- 1 – January, February, March
- 2 – April, May, June
- 3 – July, August, September
- 4 – October, November, December

Year: Enter the year in which the quarter you are reporting fell.

Example: If you are filing a return for the third quarter of 2004, enter "3" for the quarter and "2004" for the year.

Return Information

Line 1 – Gross Receipts for Quarter. Providers of cosmetic medical procedures or tangible personal property or occupancies, such as hospital or clinic stays, related to cosmetic medical procedures must enter on Line 1 the total gross receipts received during the three-month reporting period covered by the return from all services, goods, or occupancies that were provided by your business or practice in New Jersey. See "Gross Receipts" on page 2 for more information. If you had no gross receipts for the quarter, enter "0."

Line 2 – Exempt Receipts. Enter on Line 2 the amount of all receipts included on Line 1 which are not subject to the cosmetic medical procedures gross receipts tax. See "Exempt Receipts" on page 2 for more information. If you had no exempt receipts for the quarter, enter "0."

Line 3 – Amount of Tax Collected. Enter on Line 3 the amount of cosmetic medical procedures gross receipts tax col-

lected for the quarter. If you did not collect any cosmetic medical procedures gross receipts tax for the quarter, enter "0."

Line 4 – Cosmetic Medical Procedures Gross Receipts Tax Due. The system will calculate the cosmetic medical procedures gross receipts tax due and provide the amount to you. (The amount of tax due may be greater than the amount collected.) Enter the amount stated on Line 4.

Line 5 – Penalty and Interest. Compute any penalty and interest charges incurred for late payment and/or late filing for the quarter and enter the amount on Line 5. If you are unable to determine this amount, enter "0." You will be billed for any penalty or interest due.

Line 6 – Total Amount Due. The system will calculate the total amount due for the quarter and provide the amount to you. Enter the amount stated on Line 6. If you have a balance due, you must pay by e-check, credit card, or EFT. See "How to Pay" on page 1. You are not required to submit your payment on the same date as your telephone call, however, your payment must be made by the due date to avoid penalty and interest charges.

Payment Information

If you wish to pay by e-check, enter on the worksheet the 9-digit bank routing number, the account number (omit hyphens, spaces, symbols, and letters), the type of account, and the date you want the payment to be debited from your account. The earliest payment debit date you may select is the next business day. However, payment transactions initiated by 11:59 p.m. on the due date will be deemed timely even if the settlement date (date payment is debited from the account) is the next business day.

You can also pay by credit card or EFT after you have completed your telephone filing and received a Confirmation Number. See "How to Pay" on page 1.

Signature and Confirmation

Signature. You are required to affirm and sign your return by agreeing to the following statement and then providing a voice signature: "I verify and affirm that all tax information provided during this telephone call is correct. I am aware that if any of the information provided by me is knowingly false, I am subject to punishment." Your return cannot be processed without this affirmation or a signature. Tax preparers filing on behalf of clients will also be required to enter their own tax identification number.

Confirmation Number. After you sign your return, stay on the line until the system assigns you a 7-digit Confirmation Number. This number serves as proof that your return was successfully filed. Enter the number and the date you filed your return in the boxes on the worksheet along with the name of the person who "signed" the return. **Your return is not filed until you receive a Confirmation Number.**

If you make your quarterly payment by e-check in a separate telephone call, you will receive a separate Confirmation Number for the payment transaction.

Your Confirmation Number is your only proof that your return was successfully filed. Enter it on your worksheet and keep the worksheet for your business files for four years in case of audit. **Do not mail it to the Division of Taxation.**

Amended Returns

If you discover an error after you file your return by phone, file an amended return by phone through the Business Paperless Telefiling System. If the correction results in an overpayment of tax for the quarter, file a Claim for Refund (Form A-3730). To obtain Form A-3730, visit the Division of Taxation Web site or call the Forms Request System. See "Where to Get Information," below.

Where to Get Information

By Phone

Call the Division of Taxation's Customer Service Center at **609-292-6400**. Representatives are available from 8:30 a.m. to 4:30 p.m., Monday through Friday (except holidays).

Online

- Division of Taxation Web site:
www.state.nj.us/treasury/taxation/
- E-mail: **taxation@tax.state.nj.us**

Order Forms and Publications

To obtain copies of the CMPT-100 Worksheet and Instructions, as well as other tax forms and publications:

- Call the Forms Request System from a Touch-tone phone at **1-800-323-4400** (within NJ, NY, PA, DE, and MD) or **609-826-4400** (anywhere).
- Call NJ TaxFax at **609-826-4500** from your fax machine's phone.
- Visit the Division of Taxation's Web site:
www.state.nj.us/treasury/taxation/

In Person

Visit a New Jersey Division of Taxation Regional Office. For the address of the office nearest you, call the Automated Tax Information System from a Touch-tone phone at **1-800-323-4400** (within NJ, NY, PA, DE, and MD) or **609-826-4400** (anywhere) or visit our Web site.